

210 MAR 1958

MEMORANDUM FOR: Legislative Counsel

SUBJECT: H.R. 8486 and H.R. 9220, Concerning Compensation
of Personnel Paid on Prevailing Rate System

1. In response to your request, subject bills have been reviewed by this Office to determine whether or not further action by your office is necessary or desirable. Both bills would amend the Act of September 1, 1954 ("Fringe Benefits Act") as follows:

a. Salaries of new appointees to continuing positions converted from the CPC schedule to prevailing rate system would be set in accordance with the "saved rate" provision of the conversion provision. (Comment: No effect on CIA because conversions made to prevailing rate scales did not result in lower basic rates.)

b. Departments and agencies would be required to provide longevity step increases to personnel paid on prevailing rate scales. (Comment: This is a benefit not now available to personnel in this category.)

2. This Office recommends support of the longevity step increase provision as a means of rewarding long and faithful service of personnel in the "Wage Board" group in the same manner as employees paid at the General Schedule rates.

3. We would appreciate your letting us know of further developments in Congressional consideration of these bills.

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Acting Harrison G. Reynolds
Director of Personnel

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Approved For Release 2002/01/02 : CIA-RDP59-00224A0

NOTICE OF PENDING LEGISLATION		DATE	24 Jan 56
		LEGISLATIVE BILL NO.	H. R. 8486
SECTION I	GENERAL		
TO : OGC Dir/Personnel	FROM: LEGISLATIVE COUNSEL OFFICE OF GENERAL COUNSEL		
THE ATTACHED BILL, WHICH HAS BEEN INTRODUCED INTO CONGRESS, IS:			
<input type="checkbox"/> SENT TO YOU FOR INFORMATION ONLY.			
<input type="checkbox"/> A BILL ON WHICH FAVORABLE CONGRESSIONAL ACTION <input type="checkbox"/> IS <input type="checkbox"/> IS NOT PREDICTED.			
<input checked="" type="checkbox"/> SENT FOR YOUR COMMENT AS TO WHETHER IT IS OF INTEREST TO CIA ACTIVITIES, AND WHETHER FURTHER ACTION BY THIS OFFICE IS NECESSARY OR DESIRED.			
IT IS REQUESTED THAT COMMENTS CONCERNING THIS LEGISLATION BE FORWARDED, THROUGH APPROPRIATE CHANNELS, TO THIS OFFICE, BY _____			
SECTION II		COMMENTS (From Original Addressee)	
TO : LEGISLATIVE COUNSEL OFFICE OF GENERAL COUNSEL	FROM:		
<p>P.L. 763, 83rd Congress (Act of 1 Sept. 1954) abolished the CPC Schedule and provided for conversion of CPC positions to corresponding GS positions. This resulted in lowering the rate of compensation of some positions. A "saving clause" protected incumbents from any decrease in salary. Section 1 of the present bill would entitle new appointees to such positions to the "saved" salary. This seems to defeat the purpose of merging the two schedules.</p> <p>Section 2 of the present bill is not clearly written, but appears to be an amendment designed solely to accord the language of Sec. 114 of P.L. 763 to the policy expressed above.</p> <p>Section 3 of the present bill provides longevity step-increases for persons whose salaries are fixed by wage boards, commensurate with the increases now provided for persons employed under the GS schedule. It seems unobjectionable.</p> <p>Personnel [redacted] advises that [redacted] Agency people were converted from CPC to GS scales, and that in all cases this resulted in a salary increase, so that the "saving clause" was not used. About [redacted] Agency employees are under wage boards.</p> <p>Nothing in this bill would present unusual problems for the Agency. We might wish to oppose the new "saving clause", on the basis that it is a step away from the simplification of Government salary grades and practices.</p>			
DATE OF COMMENTS	SIGNATURE AND TITLE		
27 Jan 1956	[redacted]		
TENSION			

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84TH CONGRESS
2D SESSION

H. R. 8486

IN THE HOUSE OF REPRESENTATIVES

JANUARY 16, 1956

Mr. NELSON introduced the following bill; which was referred to the Committee on Post Office and Civil Service

A BILL

To amend the Act of September 1, 1954, to correct certain inequities with respect to the compensation of prevailing wage-rate employees, to provide longevity compensation for such employees, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 That section 105 of the Act of September 1, 1954 (Public
4 Law 763, Eighty-third Congress), is amended by adding
5 at the end thereof the following new subsection:

6 “(c) All new appointments to continuing positions
7 identical with those existing on the date of conversion that
8 have been made or are made subsequent to the date of con-
9 version of positions in the Crafts, Protective, and Custodial

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1 Schedule of the Classification Act of 1949, as amended, to
2 the prevailing rate-determination system shall be at a rate
3 equal to the saved rate authorized by section 114 of this
4 Act, until such time as the prevailing rate equals or exceeds
5 the saved rate.”

6 SEC. 2. Section 114 of the Act of September 1, 1954
7 (Public Law 763, Eighty-third Congress), is amended to
8 read as follows:

9 “SEC. 114. Nothing contained in this title shall be con-
10 strued to decrease the existing rate of basic compensation
11 of any present employee retroactive to the date on which
12 positions were converted.”

13 SEC. 3. The head of any department, independent
14 establishment, or agency, including Government-owned or
15 controlled corporations, or of the municipal government of
16 the District of Columbia, or the head of any legislative or
17 judicial agency, employing persons whose rates of pay are
18 fixed in accordance with the prevailing wage policy system,
19 are hereby directed to take appropriate administrative action
20 to provide that their policies, procedures, and/or regula-
21 tions be amended so as to:

22 (1) Provide as a reward for long and faithful service
23 an additional step-increase (to be known as a longevity
24 step-increase) above the maximum scheduled rate for the
25 grade or level in which his position is placed, to each officer

1 or employee for each three years of continuous service
2 completed by him at such maximum rate.

3 (2) No one shall receive a longevity step-increase
4 unless his current performance rating is "satisfactory" or
5 better than "satisfactory".

6 (3) No one shall receive more than one longevity step-
7 increase for any three years of continuous service.

8 (4) Each longevity step-increase shall be based on
9 the difference between the prevailing rate and the next
10 higher rate and shall be not less than 4 cents nor more than
11 10 cents per hour.

12 (5) Not more than three successive longevity step-
13 increases shall be granted to any employee.

14 (6) The officer or employee shall have had, in the
15 aggregate, not less than ten years of service in the position
16 which he then occupies, or in positions of equivalent or
17 higher grade or level.

18 (7) Employees receiving a "saved-rate" of compen-
19 sation as authorized by section 114 of Public Law 763,
20 Eighty-third Congress, as amended by this Act, shall like-
21 wise be eligible for longevity step-increases providing they
22 meet the requirements of this Act as to performance and
23 length of service.

24 SEC. 4. The provisions of this Act shall become effective

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1 at the beginning of the first pay period which begins on
2 or after the ninetieth day following the date of enactment
3 of this Act.

84TH CONGRESS
2d Session

H. R. 8486

A BILL

To amend the Act of September 1, 1954, to correct certain inequities with respect to the compensation of prevailing wage-rate employees, to provide longevity compensation for such employees, and for other purposes.

By Mr. NELSON

JANUARY 16, 1956

Referred to the Committee on Post Office and Civil Service